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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

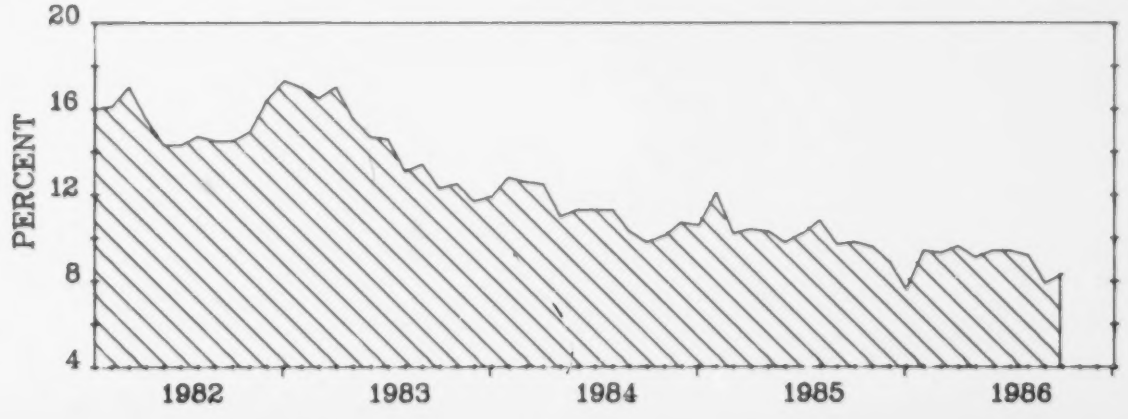
MICHIGAN'S JOBLESS RATE INCHES UPWARD

The incidence of unemployment in Michigan increased as the jobless rate rose from 7.9 percent in August to 8.3 percent in September. The increase in statewide unemployment represents 12,000 additional individuals out of work, as total state residents seeking employment grew to 359,000. The rise in the jobless rate was primarily a result of seasonal job losses as many of the state's recreational and tourism industries began closing for the season. Approximately, 3,989,000 workers in the state were employed during the month, as total employment decreased by 75,000. Additionally, the statewide civilian labor force dropped by 63,000 to 4,348,000, as many summer workers left their jobs and returned to school. When compared to a year ago, employment in Michigan has increased by 82,000, while the size of the labor force has climbed by 17,000. In September 1985, the total number of persons out of work amounted to 424,000, representing an unemployment rate of 9.8 percent.

EMPLOYMENT LEVELS CONTINUE TO GROW

Nonagricultural wage and salary employment in Michigan increased as total industry jobs climbed to 3,614,000 in September. Employment opportunities advanced by approximately 39,000 as gains were evident in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries, edged upward by 8,000, primarily as a result of minor gains in fabricated metals and additional callbacks in the automotive industry. Service producing employment jumped by 31,000 to 2,504,000 in September, as educational facilities across the state began preparing for the new school year. Public sector positions increased by 28,000 with all the gains occurring at the state and local levels. Since September 1985, industry employment in Michigan has increased by 61,000 positions or 1.7 percent. Approximately 69,000 service producing jobs have been added throughout the year, while goods producing employment dipped by 8,000.

MICHIGAN UNEMPLOYMENT RATES (1982–1986)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	SEPTEMBER 1986	AUGUST 1986	JULY 1986	SEPTEMBER 1985
PLACE OF RESIDENCE				
Civilian Labor Force	4348	4411	4468	4331
Employment	3989	4064	4057	3907
Unemployment	359	347	411	424
Rate	8.3	7.9	9.2	9.8
PLACE OF WORK				
Wage and Salary Employment	3614	3575	3549	3553
Goods Producing Industries	1110	1102	1086	1118
Construction and Mining	137	136	135	122
Mining	11	11	11	10
Construction	126	125	123	112
Manufacturing	973	966	952	997
Durable Goods	752	745	732	780
Lumber and Wood Products	13	13	12	12
Furniture and Fixtures	27	26	26	26
Stone, Clay and Glass Products	18	18	18	19
Metals	166	162	162	171
Primary Metals	50	50	48	51
Fabricated Metals	115	113	114	120
Nonelectrical Machinery	125	125	125	133
Electrical Machinery	36	36	38	36
Transportation Equipment	345	343	330	361
Motor Vehicles and Equip.	323	321	309	341
Other Transportation Equip.	22	22	21	20
Other Durable Goods	22	21	21	21
Nondurable Goods	221	221	219	217
Food and Kindred Products	49	50	50	48
Textiles and Apparel	23	22	21	22
Paper and Allied Products	21	20	21	21
Printing and Publishing	39	39	38	39
Chemicals and Petroleum	43	43	44	43
Other Nondurable Goods	47	47	46	45
Rubber and Plastic Prod.	45	45	43	42
Service Producing Industries	2504	2473	2463	2435
Trans., Comm. and Utilities	148	148	148	144
Transportation and Utilities	113	113	113	109
Communications	34	34	34	35
Wholesale Trade	181	181	180	176
Durable Goods	116	115	114	111
Nondurable Goods	65	66	66	65
Retail Trade	642	640	631	619
General Merchandise Stores	91	89	88	89
Food Stores	92	91	90	87
Automotive Dealers and Services	75	75	75	72
Eating and Drinking Places	223	223	219	213
Other Retail Trade	162	163	160	158
Finance, Insurance and Real Estate	171	170	172	163
Finance	89	90	89	85
Insurance and Real Estate	83	84	83	79
Services	787	785	780	759
Business Services	166	163	161	154
Health Services	266	267	266	261
Other Services	355	354	353	345
Government	574	546	552	573
Federal	60	60	60	58
State	146	134	135	142
Local	368	352	357	373
Labor Disputes	0	0	0	3

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1985 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the co-operative federal-state Current Employment Statistics program — March 1985 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits decreased for the first time in three months during September. The regular benefits claims load averaged 94,543 per week during the month, approximately 7,072 less than the August total.

The seven percent decrease in the monthly average was primarily due to the callback of workers in the automotive industry following the completion of model changeover. In September 1985, the number of claimants drawing benefits under the regular benefit program averaged 80,180, or approximately 18 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
September 06, 1986	107,600	13,700	93,900	52,600	6,300	46,300
September 13, 1986	111,700	17,100	94,600	53,600	6,700	46,900
September 20, 1986	106,700	15,600	91,100	50,100	7,300	42,800
September 27, 1986	103,600	15,300	88,300	50,400	7,700	42,700

PRICES FALL IN DETROIT

Consumer prices in the Detroit metropolitan area dropped from 323.2 in August to 321.4 in September. The decrease in the Detroit area prices was primarily due to a decline in housing and fuel oil costs. Prices in the area climbed by three tenths of a percent since September 1985, when the consumer price index stood at 320.5.

Nationally, the cost of living advanced by five tenths of a percent to reach 330.2 during the month. The higher national prices were due to additional costs for apparel, medical care, food and transportation. Between September 1985 and September 1986, national consumer prices increased by 1.8 percent. One year ago, the national index registered 324.5.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries increased to 42.3 hours in September. The increase occurred primarily as a result of additional hours worked by individuals in the automotive industry.

During the month average hourly earnings inched upward by eighteen cents to $12.82, while average weekly earnings climbed by $17.73 to total $542.29. In August 1985, earnings averaged $12.76 an hour or $555.06 per week for a 43.5 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Sept 1986	Aug 1986	Sept 1985	Sept 1986	Aug 1986	Sept 1985	Sept 1986	Aug 1986	Sept 1985
TOTAL MANUFACTURING	$12.82	$12.64	$12.76	42.3	41.5	43.5	$542.29	$524.56	$555.06
DURABLE GOODS	13.38	13.24	13.35	42.5	41.5	43.9	568.65	549.46	586.06
Primary Metal Products	12.36	12.33	12.32	43.3	42.8	42.5	535.19	527.72	523.60
Fabricated Metal Products	12.57	12.48	12.77	42.2	41.5	43.6	530.45	517.92	556.77
Nonelectrical Machinery	13.01	12.91	12.73	43.0	42.3	43.7	559.43	546.09	556.30
Electrical Machinery	10.87	10.74	10.73	42.7	43.0	42.0	464.15	461.82	450.66
Motor Vehicles & Equip.	15.33	15.23	15.16	42.6	40.7	45.1	653.06	619.86	683.72
NONDURABLE GOODS	10.79	10.60	10.48	41.7	41.7	42.1	449.94	442.02	441.21
Contract Construction	15.54	15.48	15.25	37.2	39.5	39.6	578.09	611.46	603.90
Department Stores	6.84	6.75	6.62	26.9	27.4	27.6	184.00	184.95	182.71

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
SEPTEMBER 1986 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	118,244,000	110,229,000	8,015,000	6.8
Michigan	4,348,000	3,989,000	359,000	8.3
Major Labor Markets				
Ann Arbor MSA	150,000	143,200	6,900	4.6
Battle Creek MSA	63,200	57,900	5,300	8.4
Benton Harbor MSA	73,400	67,300	6,100	8.4
Detroit MSA	2,116,000	1,948,000	168,000	8.0
Flint MSA	198,400	174,600	23,700	12.0
Grand Rapids MSA	330,300	306,800	23,500	7.1
Jackson MSA	61,600	56,600	5,000	8.1
Kalamazoo MSA	110,200	103,600	6,600	6.0
Lansing MSA	225,300	210,300	15,100	6.7
Muskegon MSA	67,300	60,600	6,600	9.9
Saginaw-Bay-Midland MSA	179,500	162,800	16,700	9.3
Upper Peninsula LMA	130,100	116,800	13,300	10.2
Major Counties (15,000+)				
Allegan	39,650	36,825	2,825	7.1
Barry	20,675	18,925	1,750	8.4
Bay	52,700	46,300	6,375	12.1
Branch	17,650	16,150	1,500	8.5
Cass	22,950	21,425	1,525	6.6
Clinton	29,900	27,925	1,975	6.6
Delta	15,550	13,975	1,600	10.2
Eaton	47,700	45,100	2,600	5.4
Grand Traverse	30,625	28,000	2,650	8.6
Gratiot	17,325	15,625	1,725	9.9
Hillsdale	19,950	17,975	2,000	10.0
Huron	15,850	14,450	1,400	8.9
Ingham	147,725	137,225	10,500	7.1
Ionia	18,125	15,475	2,650	14.6
Isabella	26,275	24,575	1,700	6.5
Kent	245,300	226,175	19,125	7.8
Lapeer	34,050	31,150	2,900	8.5
Lenawee	39,850	35,600	4,275	10.7
Livingston	47,975	45,425	2,550	5.3
Macomb	337,850	309,700	28,150	8.3
Marquette	28,275	24,775	3,500	12.3
Midland	31,950	29,875	2,050	6.4
Monroe	63,825	59,125	4,700	7.4
Montcalm	21,550	17,950	3,600	16.7
Newaygo	16,775	15,175	1,575	9.4
Oakland	486,950	453,550	33,400	6.9
Ottawa	85,025	80,650	4,375	5.1
Saginaw	94,850	86,575	8,275	8.7
St. Clair	68,100	62,275	5,825	8.6
St. Joseph	26,975	24,750	2,225	8.3
Sanilac	18,350	16,800	1,550	8.4
Shiawassee	31,850	28,800	3,050	9.6
Tuscola	21,500	19,225	2,275	10.6
Van Buren	28,800	26,075	2,750	9.5
Wayne	1,077,550	986,675	90,875	8.4

MICHIGAN EMPLOYMENT
SECURITY COMMISSION
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